

Instrument prepared by:

VIRGINIA GAS AND OIL BOARD

Order recorded under:

**CODE OF VIRGINIA
§ 45.1-361.26**

BEFORE THE VIRGINIA GAS AND OIL BOARD

RELIEF SOUGHT: An Order for Disbursement of Escrowed Funds
(and Authorization for Direct Payment of Royalties)

JURISDICTION: Code of Virginia § 45.1-351. (et seq) AND § 45.1-361.22 (et seq)

UNIT/WELL NAME: VC-702966
TRACT(S): Tract 1
LOCATION: Dickenson County, Virginia

TAX ID NUMBER: Tax Map Numbers Found on Exhibit B

DOCKET NUMBER: VGOB-94-0816-0467-03

APPLICANTS: EQT Production Company on behalf of David and Freda Powers and Range Resources.

HEARING DATE AND LOCATION: Russell County Government Center, Lebanon, Virginia
January 17, 2012.

APPEARANCES: James E. Kaiser on behalf of EQT.**PRIOR PROCEEDINGS:**

1. Original Pooling Order, Executed 07/29/94, Recorded 09/05/94, Deed Book 302.
2. Re-Pooling Order, Executed 09/19/94, Recorded 09/28/94, Deed Book 304.
3. Supplemental Order, Executed 12/19/94, Recorded 12/28/94, Deed Book 305.
4. Disbursement Order -01, Withdrawn by Board 05/15/07, no Order was issued under -01.
5. Disbursement Order -02, Executed 02/07/11, Recorded 02/24/11, Deed Book 484.

NOTICE:

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the January 17, 2012 hearing and consider whether to:

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract 1 identified in the attached miscellaneous petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tract 1 relative to the interests of the Applicants identified in the attached miscellaneous petition.
- (3) Continue the escrow account under this docket number.

FINDINGS: Code of Virginia § 45.1-361.22

Applicant has certified and represented to the Board that:

1. The owner of the coal estate for **Tract 1** is **Range Resources-Pine Mountain Inc.** for the subject drilling unit.
2. The owner of the gas estate for **Tract 1** is **David and Freda Powers** for the subject drilling unit.
3. **Range Resources**, by letter dated November 21, 2011 waived any claims to past or to future royalties attributable to the interests of David and Freda Powers for Tract 1, as shown in Table 1.

RELIEF GRANTED:

VGOB Approved Disbursement
Unit VC-702966
VGOB-94-0816-0467-03

Table 1
A portion of Tract 1

Item	Tract	Disbursement Table		Fractional Ownership in Tract	Net Acreage Ownership in Tract	Royalty Split Agreement	Escrowed Acres Disbursed	Percent of Escrowed Funds Disbursed
		Total acreage in escrow before disbursements					45.1650	
	1	Tract 1 (total acreage)		24.30				
1	1	David and Freda Powers - G & O	227 Tiny Hollow, Birchleaf, VA 24220	100.00%	24.3000	100.0%	24.300	53.8027%
2	1	Range Resources-Pine Mountain - Coal	Attn: Jerry Grantham, P.O. Box 2136, Abingdon, VA 24202	100.00%	24.3000	0.0%	-	0.0000%

1. The Escrow Agent is ordered, to within ten (10) days of receipt of this executed order, disburse funds for the unit and applicants detailed in Table 1.

2. The Escrow Agent is ordered to **continue** the Escrow Account for the Subject Drilling unit based on the attached Revised Exhibit E which replaces all prior Exhibit E's recorded for the Subject Drilling Unit.

CONCLUSION:

Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted **and IT IS SO ORDERED.**

APPEALS:

Appeals of this Order are governed by the provisions of the *Code of Virginia* § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court and that whenever a

coal owner, coal operator, gas owner, gas operator, or operator of a gas storage field certificated by the State Corporation Commission is a party in such action, the court shall hear such appeal de novo.

Effective Date:

This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 25 day of March, 2013 by a majority of the Virginia Gas and Oil Board.



Chairman, Bradley C. Lambert


DONE AND PERFORMED this 25 day of March, 2013 by Order of the Virginia Gas and Oil Board.



Rick Cooper
Principal Executive to the
staff, Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL

Acknowledged on this 25th day of March, 2013 personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is the Chairman of the Virginia Gas and Oil Board and Rick Cooper, being duly sworn did depose and say that he is Principal Executive to the staff of the Virginia Gas and Oil Board, that they executed the same and was authorized to do so.


Diane J. Davis, Notary Public
174394

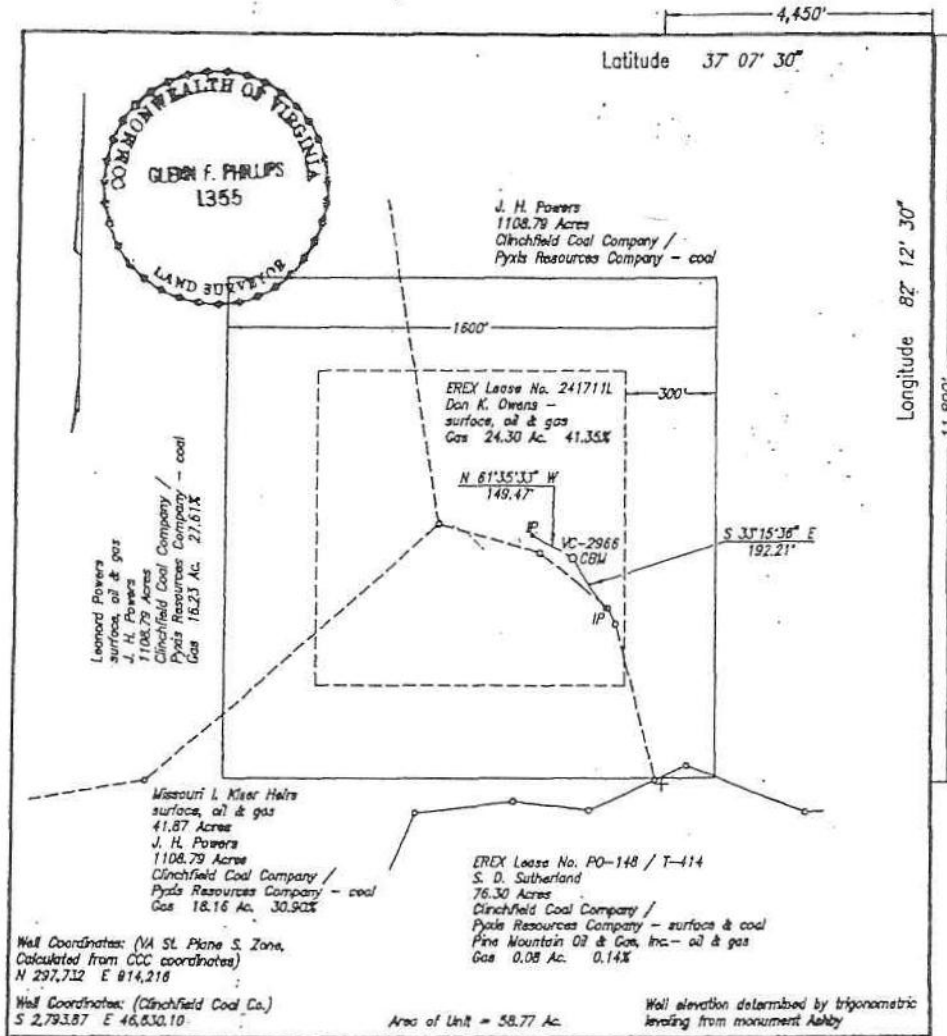
My Commission expires: September 30, 2013



Tom O'Neill

COPY

Center Coord.
H-88-24



WELL LOCATION PLAT

COMPANY Equitable Resources Exploration WELL NAME AND NUMBER VC-2986
TRACT NO. 241711L ELEVATION 2073.56 QUADRANGLE Duty
COUNTY Dickenson DISTRICT Ervin SCALE 1" = 400' DATE 7-15-1994

This Plat is a new plat X; an updated plat ; or a final location plat
+ Denotes the location of a well on United States topographic Maps, scale 1 to 24,000, latitude and longitude lines being represented by border lines as shown.

Glen F. Phillips

Licensed Professional Engineer or Licensed Land Surveyor

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANTS: EQT Production Company on behalf of David and Freda Powers and Range Resources-Pine Mountain Inc.

DOCKET NUMBER: VGOB 94/08/16-0467-03

RELIEF SOUGHT: Supplemental Order for Disbursement of Escrowed Funds on behalf of David and Freda Powers, and Range Resources-Pine Mountain Inc.

LEGAL DESCRIPTIONS: Drilling Unit Number VC-702966 created by Board Order Dated July 29, 1994, VGOB 94/08/16-0467 in the Kenady District, Dickenson County, Virginia.

HEARING DATE: January 17, 2012

MISCELLANEOUS PETITION

1. Party: Applicants herein are David and Freda Powers, (hereinafter "Plaintiffs), whose address is 227 Tiny Hollow, Birchleaf, VA 24220; and Range Resources-Pine Mountain Inc. , (hereinafter "Plaintiffs), whose address is P.O. Box 2136, Abingdon, VA 24212
2. Facts:
 - a. Equitable was designated as the Operator and Applicants interests were Pooled in the VC-702966 Unit by Order of the Virginia Gas and Oil Board (hereinafter "Board") executed on July 29, 1994, pursuant to Docket No. VGOB 94/08/16-0467 and recorded in the Circuit Court Clerk's Office of Dickenson County, Virginia on August 5, 1994, Deed Book 302, Page 512 (hereinafter "Order").
 - b. The order and Supplemental Order required the Escrow Agent named and appointed therein to establish an interest-bearing escrow account for funds pertaining to the above-referenced Unit and subject to escrow pursuant to the terms of the Order.
 - c. The Order and Supplemental Order further required the Operator to deposit bonus and royalty payments with the Escrow agent which could not be made because the person(s) entitled hereto could not be made certain due to conflicting claims of ownership.
 - d. Range Resources-Pine Mountain Oil and Gas, Inc. was a conflicting claimant with the above-listed Plaintiffs with regard to Tract 1, as created by Board Order as VGOB 94/08/16-0467 is the applicable Tract.

SUPPLEMENT "B"
VC-2966
VGOB 94/08/16/0467

DB 508 PG 294

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTEREST</u>
<u>Gas Estate Only</u>					
1	David & Freda Powers 227 Tiny Hollow (Tax ID 3067) Birchleaf, VA 24220-7861	Leased-EREX 241711L-01	41.3500%	24.3000	0.05168750 RI
	Equitable Resources Exploration				0.36181250 WI
Tract 1 Total			41.3500%	24.3000	41.35%
2	Leonard Oscar Powers and (Tax ID 3520) Trulah F. Powers, H/W P.O. Box 277 Weippe, ID 83553	Unleased	19.9405%	11.7217	0.02492570 RI
	Bonnie Catherine Edwards Kiser and Edward H. Kiser, H/W Star Route Box 65 Birchleaf, VA 24220	Unleased	3.0678%	1.8033	0.00383470 RI
	Sandra Powers Strickfadden, Divorced 1511 Ninth Avenue Lewiston, ID 83501	Unleased	4.6017%	2.7050	0.00575210 RI
	Equitable Resources Exploration				0.24158750 WI
Tract 2 Total			27.6100%	16.2300	27.61%
3	<u>Missouri I. Kiser Heirs</u> (Tax ID 2746) <u>William R. Kiser Heirs</u> Florence Kiser, widow 1513 White Oak Court Martinsville, VA 24112	Unleased Life Estate	0.0000%	0.0000	0.00000000 RI
	Jackson L. Kiser and Carole G. Kiser, H/W 1513 White Oak Court Martinsville, VA 24112	Unleased Remainderman	3.0900%	1.8160	0.00386250 RI
	William R. Kiser, Jr. and Nancy Kiser, H/W Foxfield Farm, Route 2 Box 370 Waynesboro, VA 22980	Leased-EREX Remainderman 244789L-03	3.0900%	1.8160	0.00386250 RI
	<u>Utah Kiser Heirs</u> Bessie Kiser, widow	Leased-EREX	6.1800%	3.6320	0.00772500 RI

Route 4 Box 400
Clintwood, VA 24228

244789L-02

DB 508 PG295

Aubrey Kiser Heirs

Virginia Alta Kiser, widow
Star Route Box 35C
Cleveland, VA 24225

Unleased 6.1800% 3.6320 0.00772500 RI

Herbert S. Kiser Heirs

Roy Curtis Kiser and
Virginia Kiser, H/W
4740 East Windstone Trail
Cave Creek, AZ 85331

Leased ERE 3.0900% 1.8160 0.00386250 RI
244789L-04

Fred N. Kiser and
Catherine Kiser, H/W
Route 1 Box 2120
Rogersville, TN 37857

Leased ERE 3.0900% 1.8160 0.00386250 RI
244789L-01

James Kiser Heirs

Cartha Kiser, widow
5722 Dunn Avenue
Jacksonville, FL 32218

Leased-EREX 0.0000% 0.0000 0.00000000 RI
Life Estate
244789L-06

Alona Bailey and
Robert Bailey, W/H
7530 Rondex Lane
Lewisville, NC 27023

Leased-EREX 3.0900% 1.8160 0.00386250 RI
Remainderman
244789L-07

Teresa Chandler, Single
353 Jonestown Suite 126
Winston-Salem, NC 27104

Leased-EREX 3.0900% 1.8160 0.00386250 RI
Remainderman
244789L-05

Equitable Resources Exploration

0.27037500 WI

Tract 3 Total

30.9000% 18.1600 30.90%

4 Pine Mountain Oil & gas, Inc
Attn: Richard Brillhart
(Minerals Only) P. O. Box 4000
Lebanon, VA 24266

Leased - ERE 0.1400% 0.0800 0.00017500
241490L-01
T-414

Equitable Resources Exploration

0.00122500 WI

Tract 4 Total

0.1400% 0.0800 0.14%

TOTALS 100.00% 58.77 100.00%

Coal Estate Only

1,2, & 3 Range Resource-Pine Mountain**
Attn: Jerry Grantham
406 W Main Street
PO Box 2136
Abingdon, VA 24212

Leased-EREX 99.8600% 58.69 0.12482500 RI
241640L-01
T2C-233

8.

Tract 1,2 & 3 Totals		99.8600%	58.69	99.86%
4	Range Resource-Pine Mountain** Attn: Jerry Grantham 406 W Main Street PO Box 2136 Abingdon, VA 24212	Leased-EREX 241640L-01 T2C-233	0.1400%	0.08 0.00017500 RI
Equitable Resources Exploration				0.00122500 WI
Tract 4 Total		0.1400%	0.0800	0.14%
TOTALS		100.00%	58.77	100.00%

*By Deed of Conveyance entered into on April 23, 1999,
 Kay R Owens conveyed interest to David and Freda Powers.
 Deed recorded in Dickenson County on 7/9/1999 at Book 347 Page 159

*Don K. Owens and
 Kay R. Owens, H/W

**Formerly
 Clinchfield Coal Co
 Attn: Paul Guild, Chief Engineer
 P.O. Box 7
 Dante, VA 24237
 Pyxis Resources Company
 Attn: Larry Cline, Property Mgr.
 P.O. Box 5100
 Lebanon, VA 24266

(revised 03/25/2013_jal)

EXHIBIT E
VC-2966
VGOB 94/08/16/0467

Revised 12/05/2011

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
	<u>Gas Estate Only</u>			
2	Sandra Powers Strickfadden, Divorced 1511 Ninth Avenue Lewiston, ID 83501	Unleased	4.6017%	2.7050
3	<u>Missouri I. Kiser Heirs</u> <u>William R. Kiser Heirs</u> Florence Kiser, widow 1513 White Oak Court Martinsville, VA 24112	Unleased Life Estate	0.0000%	0.0000
	Jackson L. Kiser and Carole G. Kiser, H/W 1513 White Oak Court Martinsville, VA 24112	Unleased Remainderman	3.0900%	1.8160
	William R. Kiser, Jr. and Nancy Kiser, H/W Foxfield Farm, Route 2 Box 370 Waynesboro, VA 22980	Leased-EREX Remainderman 244789L-03	3.0900%	1.8160
	Roy Curtis Kiser and Virginia Kiser, H/W 4740 East Windstone Trail Cave Creek, AZ 85331	Leased EREX 244789L-04	3.0900%	1.8160
	Fred N. Kiser and Catherine Kiser, H/W Route 1 Box 2120 Rogersville, TN 37857	Leased EREX 244789L-01	3.0900%	1.8160
	<u>Utah Kiser Heirs</u> Bessie Kiser, widow Route 4 Box 400 Clintwood, VA 24228	Leased-EREX 244789L-02	6.1800%	3.6320
	<u>Aubrey Kiser Heirs</u> Virginia Alta Kiser, widow Star Route Box 35C Cleveland, VA 24225	Unleased	6.1800%	3.6320
	<u>James Kiser Heirs</u> Cartha Kiser, widow 5722 Dunn Avenue Jacksonville, FL 32218	Leased-EREX Life Estate 244789L-06	0.0000%	0.0000

Alona Bailey and Robert Bailey, W/H 7530 Rondex Lane Lewisville, NC 27023	Leased-EREX Remainderman 244789L-07	3.0900%	1.8160
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Teresa Chandler, Single 353 Jonestown Suite 126 Winston-Salem, NC 27104	Leased-EREX Remainderman 244789L-05	3.0900%	1.8160
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TOTALS		35.50%	20.865
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Coal Estate Only

1,2, & 3	Range Resource-Pine Mountain Attn: Jerry Grantham 406 W Main Street PO Box 2136 Abingdon, VA 24212	Leased-EREX 241640L-01 T2C-233	35.5000%	20.865
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TOTALS		35.50%	20.865
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*Formerly
Clinchfield Coal Co
Attn: Paul Guild, Chief Engineer
P.O. Box 7
Dante, VA 24237
Pyxis Resources Company
Attn: Larry Cline, Property Mgr.
P.O. Box 5100
Lebanon, VA 24266

EXHIBIT EE
VC-2966 DB 508 PG299
VGOB 94/08/16/0467
Revised 12/05/2011

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>
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Prior Disbursement - 01 (Withdrawn by the Board May 15, 2007 and no Order issued)

Prior Disbursement - 02

2	Trulah F. Powers P.O. Box 277 Weippe, ID 83553	Unleased	23.0083%	13.5250 100.00%
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Total Disbursed -02		<u>23.0083%</u>	<u>13.5250</u>
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Current Disbursement - 03

Gas Estate Only

1	David and Freda Powers* 227 Tiny Hollow Birchleif, VA 24220	Leased-ERE 241711L-01	41.3500%	24.3000 100%
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Total		41.3500%	24.3000
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*By Deed of Conveyance entered into on April 23, 1999,
Kay R Owens conveyed interest to David and Freda Powers.
Deed recorded in Dickenson County on 7/9/1999 at Book 347 Page 159

November 21, 2011 **RANGE RESOURCES**

Mr. David Powers
 Mrs. Freda Powers
 227 Tiny Hollow
 Birchleaf, VA 24220

Re: **REVISED - Permanent Release of CBM Royalty**
Well VC-2966 and VC-536062,
Dickenson County, Virginia

Dear Mr. and Mrs. Powers:

As you are aware, EQT Production Company ("EQT") has drilled the above-referenced coalbed methane gas wells on a 52 acre tract ("Subject Tract") either under a pooling order from the Virginia Gas and Oil Board ("Board") or as voluntary drilling unit. For these wells, we are listed as having conflicting claims. Range Resources - Pine Mountain, Inc. ("RRPM") is listed as claiming under a coal title, and you are listed as claiming under a gas title. The plat indicating the location of the well within the operating unit (for each well listed above) is enclosed for your reference.

EQT, as operator of the unit, has placed or will place all royalty proceeds attributable to conflicting claims into an escrow or suspense account. In order to allow release of the royalty proceeds, RRPM hereby waives any claims to past or to future royalties attributable to your interest in these wells.

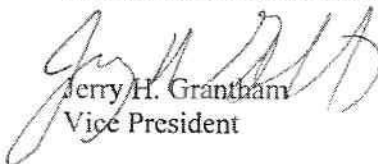
By copy of this letter, RRPM is requesting EQT to initiate distribution directly to you of all current royalties, as well as all future royalties, attributable to your interests in these wells.

Please be advised that EQT may require that you demonstrate that you are the current owner of the gas estate. You should work directly with EQT on that issue.

If you have any questions, please do not hesitate to call me at 276-619-2584

Sincerely,

RANGE RESOURCES-PINE MOUNTAIN, INC.


 Jerry H. Grantham
 Vice President

Enclosure

cc: Kristie Shannon, EQT
 Rita Barrett, EQT

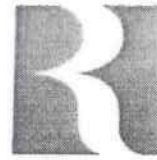
Debbie Louthian, RRPM
 Range Resources - Pine Mountain, Inc.
 406 W. Main Street P. O. Box 2136

Abingdon, VA 24212

Tel. (276) 628-9001

Fax (276) 628-7246

Abingdon: 779828-1



RANGE RESOURCES

November 28, 2011

Mr. David Powers
Mrs. Freda Powers
227 Tiny Hollow
Birchleaf, VA 24220

RE: CBM Royalty Release Letters

Dear Mr. and Mrs. Powers:

I enclose the REVISED Permanent Release of CBM Royalty Letter as to Wells VC-2966 and VC-536062. We inadvertently included Wells VC-2479, VC-3629, and VC-3979 in the initial Release Letter dated March 16, 2011. Kay Rebecca Owens had previously executed a letter agreement (CBM Royalty Split Agreement) dated April 20, 2001, with regard to Wells VC-2479, VC-3629, and VC-3979.

If you have any questions regarding the Release Letter, do not hesitate to contact this office.

Sincerely,

RANGE RESOURCES – PINE MOUNTAIN, INC.

Ann Edmisten, CLAS
Land Tech

Enclosure

VGOB 94/08/16-0467
VC-2966

Total
Unit
Acres
58.7700

Total Unit Acreage (Exhibit B)

58.7700 100.000000%

Tract 1		
David and Freda Powers*	24.3000	41.350000%
Tract 1 Total	24.3000	41.350000%
Tract 2		
Leonard Oscar Powers & Trulah Powers	13.5250	23.008300%
Sandra Powers Strickfaden	2.7050	4.601700%
Tract 2 Total	16.2300	27.610000%
Tract 3		
Jackson L & Carole G Kiser (remainderman)	1.8160	3.090000%
William & Nancy Kiser (remainderman)	1.8160	3.090000%
Bessie Kiser	3.6320	6.180000%
Virginia Alta Kiser	3.6320	6.180000%
Roy Curtis & Virginia Kiser	1.8160	3.090000%
Fred N Kiser & Catherine Kiser	1.8160	3.090000%
Alona & Robert Bailey (remainder)	1.8160	3.090000%
Teresa Chandler (remainder)	1.8160	3.090000%
Tract 3 Totals	18.1600	30.900000%
Tract 4		
Range Resources-Pine Mountain**	0.0800	0.140000%
Tract 4 Totals	0.0800	0.140000%
	58.7700	100.000000%

Escrowed Acreage (Exhibit E)

% of Escrow Fund

Total for Tracts/Acres Escrowed

58.69000 100.000000%

Tract 1		
David and Freda Powers*	current disbursement - 03	24.3000 41.403987%
Tract 1 Total		24.3000 41.403987%
Tract 2		
Leonard Oscar Powers & Trulah Powers	disbursed - 02	13.5250 23.044812%
Sandra Powers Strickfaden		2.7050 4.608962%
Tract 2 Total		16.2300 27.653774%
Tract 3		
Jackson L & Carole G Kiser (remainderman)		1.8160 3.094224%
William & Nancy Kiser (remainderman)		1.8160 3.094224%
Bessie Kiser		3.6320 6.188448%
Virginia Alta Kiser		3.6320 6.188448%
Roy Curtis & Virginia Kiser		1.8160 3.094224%
Fred N Kiser & Catherine Kiser		1.8160 3.094224%
Alona & Robert Bailey (remainder)		1.8160 3.094224%
Teresa Chandler (remainder)		1.8160 3.094224%
Tract 3 Totals		18.1600 30.942239%
		58.6900 100.000000%

VGOB 94/08/16-0467 - 01/Withdrawn by the Board May 15, 2007, pending resolution of ownership issues)

Amount from 03/2011 First Bank Spreadsheet \$68,979.90

Item	Tract	Disbursement Table	Acreage Interest Disbursed	Split Agreement	Escrowed Acres Total	% of Escrowed Funds	Disbursement \$
					58.69		
1	2	Leonard and Trulah Powers	13.525	100%	13.525	23.044812%	\$15,896.29

		Disbursed by bank on 03/10/2011					

Beginning acreage in escrow 58.69
 Acreage disbursed -13.525
 Acreage remaining in escrow 45.165

Amount from October First Bank Summary \$54,157.58

Item	Tract	VGOB 94/08/16-0467 -03 VC-2966	Acreage Interest Disbursed	Split Agreement	Escrowed Acres Total	% of Escrowed Funds	Disbursement \$
		Totals			45.165		
1	1	David and Freda Powers*	24.3	100%	24.3	53.802723%	\$29,138.25

Beginning acreage in escrow 45.165
 Acreage disbursed -24.3
 Acreage remaining in escrow 20.865

*By Deed of Conveyance entered into on April 23, 1999,
 Kay R Owens conveyed interest to David and Freda Powers.
 Deed recorded in Dickenson County on 7/9/1999 at Book 347 Page 159.

**Formerly:
 Clinchfield Coal Co
 Attn: Paul Guild, Chief Engineer
 P.O. Box 7
 Dante, VA 24237
 Pyxis Resources Company
 Attn: Larry Cline, Property Mgr.
 P.O. Box 5100
 Lebanon, VA 24266

(revised 03/25/2013_jal)

INSTRUMENT #130000834
 RECORDED IN THE CLERK'S OFFICE OF
 DICKENSON ON
 JUNE 6, 2013 AT 02:06PM
 RICHARD W. EDWARDS, CLERK
 RECORDED BY: CJF